EX PARTE OR LATE FILED

DOCKET FILE COPY ORIGINAL

RECEIVED

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

JUN 1 1 1993

7 JUN 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

IN REPLY REFER TO: 1800D MG-8010 CN-9302220

Honorable J. James Exon United States Senator 287 Federal Building 100 Centennial Mall North Lincoln, NE 68508

Dear Senator Exon:

This letter is in response to your correspondence on behalf of your constituent, Mr. Robert A. Hillyer, Jr., President of Hillcom Communications, Inc. Mr. Hillyer's inquiry concerns the definition of a small cable system for purposes of the "must-carry" obligations specified in the Cable Television

Computer Protection and Communication Ret of 1992 (1992 Cable Ret)

J. JAMES EXON NEBRASKA

528 SENATE HART BUILDING WASHINGTON, DC 20510

287 FEDERAL BUILDING LINCOLN. NE 68508

1623 FARNAM STREET OMAHA, NE 88102

275 FEDERAL BUILDING NORTH PLATTE, NE 69101

2106 FIRST AVENUE SCOTTSBLUFF, NE 69361

United States Senate

WASHINGTON, DC 20510-2702

May 13, 1993

COMMITTEES: ARMED SERVICES OMMERCE, SCIENCE, AND TRANSPORTATION BUDGET

Federal Communications Commission Congressional Liaison 1919 M Street, N.W. Washington, D.C. 20554

Dear Sir:

I am enclosing a letter from:

Bob Hillyer Hillcom Communications 5834 J Street Lincoln, NE 68508

whose problem appears to fall within your jurisdiction.

I would appreciate any information which will enable me to respond to my constituent's inquiry. Please return the enclosed correspondence with your report to:

> Senator J. James Exon 287 Federal Building 100 Centennial Mall North Lincoln, NE 68508

Cord ally,

Enclosure

Hillcom Communications, Inc., & Robert A. Hillyer, Jr. dba Hillcom Co B 5834 J Street Lincoln, NE 68510

Sen. JJ Exon 100 Centennial Mall No. Lincoln, Nebraska 68508

21 April 1993

Subject: Definition of Small versus Medium Sized Cable Systems Re: Must Carry in 1992 Cable Act and related FCC rule makings.

Sir:

In the process of developing the 1992 Cable Act, Congress tried to establish a case for urgent public interest in the development of the legislation. I have read as much as I have been able to obtain on these procedings and and enquired widely in an attempt to determine what urgent public need and or interest is served by defining a small cable system as one with 12 channels and 300 or less subscribers and one with more than 12 channels but still less than 301 subscribers as a medium sized system. My specific question is how was this criteria developed?

From a technical and economic sense this distinction makes no sense. It is a stone age thought process to define the size of a cable system by the number of channels it carries. Technically, there is no practical limit to the number of channels a cable system carries. The limiting factor is the number of subscribers that ultimately must carry the capital and operating costs of a systems channel capacity and technical features. Thus the only meaningful measure of a cable systems is the number of customers served by a given headend.

So my question is how was the criteria for defining a systems size for "Must Carry" status developed? I have contacted the FCC for an answer to this question. The FCC spokes person

system, but it would be considered a small system and therefore 1 -